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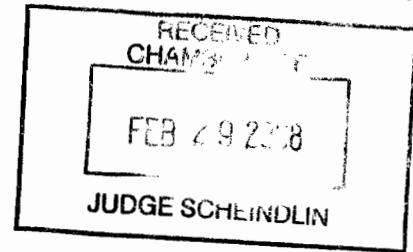
United States Attorney  
Southern District of New York

Chambers Street, 3rd Floor  
New York, New York 10007

February 28, 2008

**BY HAND**

Hon. Shira A. Scheindlin  
United States District Judge  
United States Courthouse  
500 Pearl Street, Room 1620  
New York, New York 10007



Re: In re Dana Corporation, et al., Docket No. 07 Civ. 8160 (SAS)

Dear Judge Scheindlin:

The Government writes respectfully to inform the Court that counsel for the parties have reached an agreement-in-principle to settle all of the Government's environmental claims against the Debtors in this case. We also understand that the representative of the unsecured creditors in the Debtors' chapter 11 cases consents to the proposed settlement. This agreement and any settlement document is subject to the consideration and approval of the United States Associate Attorney General, the official within the Department of Justice with authority to settle this matter. Once completed, the parties' settlement would resolve all of the matters currently before the Court.

Because the parties will require time to work out final settlement language, and time to secure the approval of the Associate Attorney General, the parties respectfully request that the Court suspend discovery in this matter for 15 days, until March 14, 2008, to provide the Court with either notice that the parties have entered into a final, negotiated settlement document, or a further update as to the status of settlement of this matter.

Thank you for your consideration of this matter.

Respectfully,

MICHAEL J. GARCIA  
United States Attorney

By:

*Pierre Armand/D.F.*

PIERRE G. ARMAND  
Assistant United States Attorney  
Tel. No.: (212) 637-2724  
Fax No.: (212) 637-2730

*The parties' request is granted.  
Discovery is suspended until  
March 14, 2008.*

*SO ORDERED:*

*Shira A. Scheindlin,  
USDI*

cc: All counsel (via e-mail)

DATE:

*Feb. 29,  
2008*